

110TH CONGRESS  
2D SESSION

# H. R. 6880

To amend the Internal Revenue Code of 1986 to allow an individual a credit against income tax for uncompensated losses from damage to such individual's principal residence by reason of Hurricane Gustav to the extent such losses are uncompensated by reason of the deductible on the individual's homeowner's insurance.

---

## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 2008

Mr. CAZAYOUX introduced the following bill; which was referred to the  
Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to allow an individual a credit against income tax for uncompensated losses from damage to such individual's principal residence by reason of Hurricane Gustav to the extent such losses are uncompensated by reason of the deductible on the individual's homeowner's insurance.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. CREDIT FOR CERTAIN UNCOMPENSATED**  
 2 **LOSSES ON PRINCIPAL RESIDENCES DAM-**  
 3 **AGED BY HURRICANE GUSTAV.**

4 (a) IN GENERAL.—Subpart A of part IV of sub-  
 5 chapter A of chapter 1 of the Internal Revenue Code of  
 6 1986 (relating to nonrefundable personal credits) is  
 7 amended by inserting after section 25D the following new  
 8 section:

9 **“SEC. 25E. CERTAIN UNCOMPENSATED LOSSES ON PRIN-**  
 10 **CIPAL RESIDENCES DAMAGED BY HURRI-**  
 11 **CANE GUSTAV.**

12 “(a) IN GENERAL.—In the case of an individual,  
 13 there shall be allowed as a credit against the tax imposed  
 14 by this chapter an amount equal to the qualified disaster  
 15 loss sustained by the taxpayer during the taxable year.

16 “(b) CREDIT LIMITED TO DEDUCTIBLE ON HOME-  
 17 OWNER’S INSURANCE.—The credit allowed by this section  
 18 with respect to any qualified disaster loss shall not exceed  
 19 the excess (if any) of—

20 “(1) the amount of such loss for which the tax-  
 21 payer was not compensated under the taxpayer’s  
 22 homeowner’s insurance policy solely by reason of the  
 23 deductible under such policy, over

24 “(2) the amount described in paragraph (1)  
 25 which is compensated for by the Federal Emergency  
 26 Management Agency.

1       “(c) QUALIFIED DISASTER LOSS.—For purposes of  
2 this section, the term ‘qualified disaster loss’ means any  
3 personal casualty loss (as defined in section 165(h)(3))  
4 which is attributable to the compulsory or involuntary con-  
5 version of the taxpayer’s principal residence or any of its  
6 contents as a result Hurricane Gustav in 2008.”.

7       (b) CLERICAL AMENDMENT.—The table of sections  
8 for such subpart A is amended by inserting after the item  
9 relating to section 25D the following new item:

“Sec. 25E. Certain uncompensated losses on principal residences damaged by  
Hurricane Gustav.”.

10       (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to losses sustained during 2008.

○